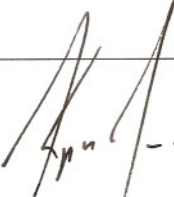
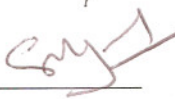



FORM B
FORMAT OF COVERING LETTER OF THE ANNUAL AUDIT REPORT TO BE FILED
WITH THE STOCK EXCHANGE

1.	Name of the Company	M/s. Spanco Limited																				
2.	Annual financial statement for the year ended	31 st March, 2013																				
3.	Type of Audit qualification	<p>Qualified that:</p> <ol style="list-style-type: none"> Delays are observed in the deposit of undisputed statutory dues with the appropriate authorities including provident fund, employees' state insurance, income-tax, TDS, value added tax, service tax and other material statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, service tax, wealth-tax, sales-tax, customs duty, excise duty, cess and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable except of TDS amounting to Rs.4.78 Crores. Based on our audit procedures and as per the information and explanations given by the management, the Company has defaulted in repayment of dues to domestic financial institutions, banks and debenture holders during the year as follows: <p align="right">(Rs. In Crores)</p> <table border="1"> <thead> <tr> <th>Nature of Borrowing</th> <th>Principal</th> <th>Interest</th> <th>Period of Default</th> </tr> </thead> <tbody> <tr> <td>Debentures</td> <td>46.00</td> <td>9.31</td> <td>April-12 to Mar-13</td> </tr> <tr> <td>Term Loan</td> <td>4.22</td> <td>0.85</td> <td>July-12 to Mar-13</td> </tr> <tr> <td>Vehicle Loan</td> <td>0.02</td> <td>-</td> <td>Mar-13</td> </tr> <tr> <td>Working Capital Loans</td> <td>390.54</td> <td>39.90</td> <td>April-12 to Mar-13</td> </tr> </tbody> </table>	Nature of Borrowing	Principal	Interest	Period of Default	Debentures	46.00	9.31	April-12 to Mar-13	Term Loan	4.22	0.85	July-12 to Mar-13	Vehicle Loan	0.02	-	Mar-13	Working Capital Loans	390.54	39.90	April-12 to Mar-13
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4.	Frequency of qualification	Appearing since financial year 2009-10
	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	Refer Point (ix) a, b and (xi) of Annexure to the Auditors' Report on page no. 22 and 23 and management's response for the same can be referred under point "Auditors' Observation" in Director's Report on page no. 2 of Annual Report of the Company.
	Additional comments from the board/audit committee chair:	-
5.	To be Signed by - <ul style="list-style-type: none">• CEO & CFO• Auditor of the Company• Audit Committee Chairman	 Kapil Puri  Shivratn Agarwal  Vijay Mulchandani